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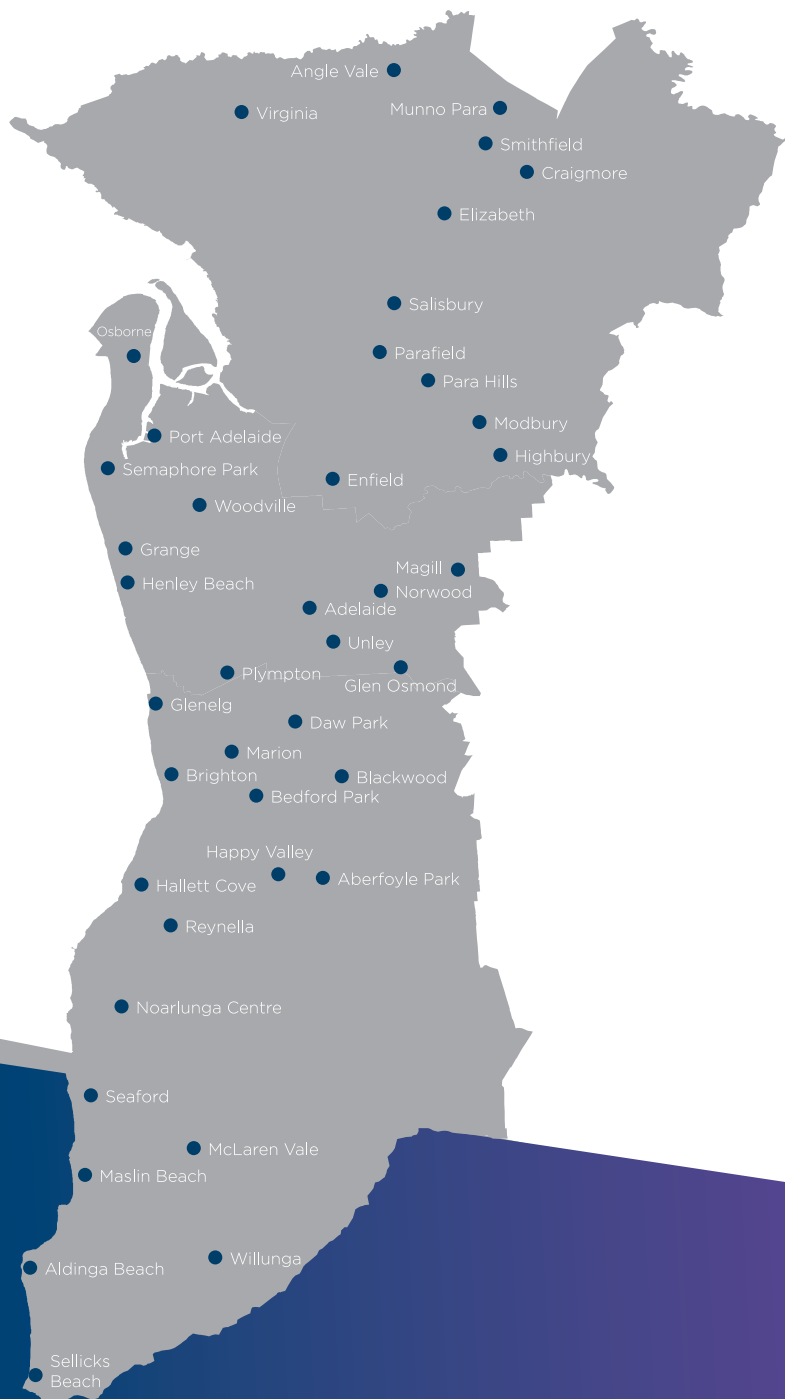
An Australian Government Initiative

**COMMISSIONING HANDBOOK:
THE SERVICE PROVIDERS GUIDE**



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ABOUT US

The Australian Government is committed to delivering an efficient and effective primary health care system through the establishment of primary health networks (PHNs).

There are 31 PHNs across Australia targeting **six key priority areas** identified by the Australian Government:

- Health workforce
- Mental health
- Aboriginal and Torres Strait Islander health
- Population health
- eHealth
- Aged care

CONNECTING OUR COMMUNITY TO HEALTH - Adelaide PHN (APHN) is tasked with commissioning services to meet the primary health care needs of the Adelaide Metropolitan community comprising around 1.2 million people.

The APHN receives funding from the Australian Government to commission services that have a clear goal of improving health outcomes across the priority areas.

We achieve this through working collaboratively with government, private and non-government organisations and the broader community through our extensive membership network.

Commissioning acknowledges and harnesses the experience and expertise of our communities and stakeholders for the collective benefit of all.

WHAT IS COMMISSIONING?

Commissioning is the process by which APHN assesses local needs, identifies, designs, procures and evaluates services delivered to meet those needs.



The commissioning process is strategic and cyclical in nature, with improved health outcomes for individuals, communities and other stakeholders.

Commissioning enables a more holistic approach to improving health outcomes, in which APHN can plan and contract primary health care services that are appropriate, relevant to the needs of, and informed by our communities.

APHN's commissioning is characterised by a **strategic approach** to procurement that is informed by:

- Needs assessment analysis
- Population health data
- Evidence review
- Service mapping
- Service design
- Market engagement
- Stakeholder consultation
- Monitoring and evaluation
- Partnerships

Unlike more traditional purchasing models, commissioning offers **enhanced opportunities to explore more collaborative and innovative ways of working.**

APHN may commission services under a single or multiple service provider, consortia, partnership and co-commissioning arrangement.

Commissioning is driven by the values of transparency, accountability, fairness and value for money to support the provision of innovative, integrated outcome based primary health care.

Creativity is the defeat of habit by originality.
ARTHUR KOESTLER

WHAT DO WE COMMISSION?

APHN commissions a range of providers to deliver clinical and non-clinical services in accordance with APHN Activity Workplans, including:

- After-hours primary health care
- Primary mental health care
- Alcohol and other drug treatment
- Aboriginal and Torres Strait Islander health
- Aged care extended primary care
- Cancer screening
- Population health
- Immunisation
- Palliative care
- Chronic conditions
- Health workforce education, training and development



The Australian Government has tasked PHNs with the key objectives of:

- increasing the efficiency and effectiveness of services for patients, particularly those **at risk of poor health outcomes**
- improving coordination of care to ensure patients **receive the right care in the right place at the right time**

Services commissioned by the APHN to meet these objectives are consistent with the six key priorities areas identified by the Australian Government (for further information refer www.adelaidephn.com.au).

Commissioning activities are also mapped against the following National Headline Indicators aligned to PHN objectives:

- potentially preventable hospitalisations
- childhood immunisation rates
- cancer screening rates (cervical, breast, bowel)
- mental health treatment rates (including for children and adolescents)

APHN's key commissioning priorities are identified in annual activity work plans approved by the Australian Government and are informed by our local needs assessments.

These comprise the APHN work plans for:

- Operational & After Hours
- Mental Health
- Drug and Alcohol Treatment
- APHN Integrated Team Care Funding (services for Aboriginal and Torres Strait Islander people)

Organisations interested in commissioning opportunities are encouraged to **review the APHN needs assessments and work plans** at www.adelaidephn.com.au

"Teamwork is the ability to work together toward a common vision. The ability to direct individual accomplishments toward organizational objectives. It is the fuel that allows common people to attain uncommon results." **ANDREW CARNEGIE**

COMMISSIONING FOR INTEGRATION AND OUTCOMES

Charged with the task of driving improvements to the local health system, APHN is investing in innovative and integrated care models to:

- better meet the needs of people living with chronic and complex conditions locally
- support the building of a more effective local health system

Commissioning provides us with **a tool to better coordinate the health system** integrating care across the acute and primary health care sectors, including prevention, self-care and improved collaboration.

In this context, commissioning does not merely focus on the procurement of additional services, it also provides a framework to support integration of existing services **to better meet the health care needs of our people.**

During all phases of the commissioning cycle APHN focuses on how an individual experiences health care – access to care, its efficiency, effectiveness and quality – as well as the degree of **connectedness** experienced by our people when navigating the health system and the degree of seamlessness.

APHN commissioned services aim to address barriers and access to timely, responsive health care services through fostering greater connectivity between providers in the primary health care, community and hospital settings.

In commissioning services, APHN continually seeks to support health care connectivity at the macro, meso and micro levels to better enable health care integration.

Better integration of services also enables APHN and our key stakeholders to meet our **shared goals** of reducing potentially avoidable hospital presentations and admissions and ensuring individuals receive the **right care in the right place at the right time.**

Commissioning for outcomes is aimed at securing, measuring and incentivising better health outcomes, compared to more traditional approaches of sourcing services and activities based on resource capacity. As the PHN commissioning approach matures it will include transition from specifying what “should be done” to what “is expected to be achieved”, i.e. potential providers presenting their solutions for the achievement of improved health outcomes.

Providers wanting to explore APHN commissioning opportunities are encouraged to consider how their existing and any future proposed services may contribute to improved health care integration and the achievement of headline and project specific health outcomes.

COMMISSIONING DESIGN PHASE

APHN designs services for health outcomes. A focus on outcomes ensures we examine all contributing factors as part of design and continually adapt to the changing environment to achieve desired outcomes.

Commissioning design is a collaborative process drawing on the expertise, experience, capabilities, knowledge and data of key stakeholders to develop solutions to meet identified need (i.e. both existing and potential commissioned service providers, people in our region, peak bodies and membership network representatives).

The design process does not occur separately to the commissioning cycle, it can occur at any stage of the cycle.



However, there are four key stages of the cycle where design efforts are more concentrated:

- Translation of APHN needs and identified priorities into outcomes-based service models and projects to be commissioned
- Development of activities for outcome based service models
- Working with potential providers to define activities and outcomes for applications for tender
- In the redesign phase of commissioning

The design process is underpinned by:

- Person-centred approaches
- Evidence based best practice
- Quality, safety and continuous improvement
- Building on existing resources to maximise combined effect
- Cost-effectiveness
- Integration and collaboration

WHO WE COMMISSION

APHN typically commissions non-government and private service providers. These include:

- primary health care service providers
- primary mental health care service providers
- alcohol and other drug treatment providers
- aged care providers
- peak bodies
- Aboriginal and Torres Strait Islander community controlled organisations
- allied health and related service providers

State government organisations may also be engaged to deliver services where a suitable alternative market is not identified.

Commissioned service providers are selected based on their capacity and capability to effectively deliver the required services (for further information refer www.adelaidephn.com.au).



Providers must have demonstrated experience in delivering high quality, timely and responsive services within a robust business model to be considered for APHN commissioned service delivery.

In determining whether your organisation may be suitable to deliver an APHN commissioned project the following should be considered:

- does your organisation have robust clinical/ service governance frameworks required to deliver the proposed service?
- does your organisation hold the relevant minimum accreditation/s to deliver the proposed service?
- is your organisation financially viable?
- does your organisation have a sound quality management system to deliver the proposed project?
- does your organisation have a framework to provide a culturally safe and sensitive environment to diverse populations?
- does your organisation have a strong local footprint/connection to our community?

If you answered yes to all of the above, your organisation meets the minimum requirements to be considered as a potential provider.

The next step is to determine whether APHN has any commissioning opportunities open in your area of service provision expertise that you can apply for.

“Try to help others. Consult their weaknesses, relieve their maladies; strive to raise them up, and by so doing you will most effectually raise yourself up also.”

Joseph Barber Lightfoot

HOW TO APPLY

Open calls for applications are advertised on the APHN website and Tenderlink, with accompanying guidelines and online application forms.

Guidelines and application forms set out the services and outcomes to be commissioned, the application criteria to be addressed and the process for submitting applications.

Review the guidelines and application form to determine whether your organisation is positioned to deliver the services.

Refer to our Top Tips on page 22 for further guidance on responding to invitations to apply.



APHN also accepts unsolicited proposals. An unsolicited proposal is an approach, outside of a formal approach to the market by APHN and on the instigation of the applicant, seeking funding from APHN to provide primary health care services or for a project that meets the health needs of our community.

An online application form for unsolicited proposals is available on the APHN website.

For further information refer www.adelaidephn.com.au

Tenderlink is an e-Procurement website that enables potential applicants to review material relating to commissioning activity and respond to invitations to apply online. Providers are encouraged to register and create a profile on Tenderlink to receive automatic alerts of Adelaide PHN commissioning opportunities.

tenderlink.com/adelaidephn

AWARDING COMMISSIONS

All applications to deliver APHN funded services undergo a rigorous assessment process consistent with the Commonwealth Procurement Rules and the Primary Health Network Grants Programme Guidelines.

Principles underpinning the assessment process include:

- Using funds in an efficient, effective, economical and ethical manner
- Ensuring probity, fairness, accountability and transparency
- Preserving public confidence in APHN processes
- Obtaining value for money



Value for money should not be confused with the lowest price. Criteria used to determine value for money include considerations of:

- quality
- experience
- timeliness
- resourcing
- sustainability
- financial (budget and viability)

All these factors are prioritised and taken into account to ascertain a value for money ranking.

The applicant(s) that demonstrate best value for money is considered the preferred applicant(s) and a contract is negotiated to deliver the commissioned services.

There may be instances where the preferred applicant(s) and APHN cannot agree on a contract offer. If this occurs, APHN may enter into contract negotiations with the next best ranked applicant(s).

APHN provides advice to all applicants of the outcome of the commissioning process following identification of a successful applicant(s).

Unsuccessful applicants may receive feedback from APHN, post execution of a contract with the successful applicant(s).

WORKING WITH OUR PROVIDERS

CONTRACTS AND COMPLIANCE

Following completion of the commissioning phase, preferred provider/s will be offered a contract to deliver commissioned services.

Contract documentation varies from simple letters of offer through to detailed long form contractor agreements. The type of contract offered will depend on the size, complexity and risk associated with the project.

Contractual documentation will be **developed in partnership** with the preferred provider/s and typically includes agreement on:

- project objectives and outcomes
- project governance arrangements
- service specifications
- key performance indicators
- reporting requirements

This is in addition to the standard terms and conditions required by APHN for all commissioned service providers.



MONITORING AND EVALUATION

APHN contracts not only provide the framework through which services are delivered, they are enablers through which APHN and commissioned service providers can **gather data, share insights and support achievement of outcomes.**

To facilitate this, APHN assigns a Capacity Building Coordinator to work with the commissioned service provider on the implementation, management, ongoing monitoring and evaluation of the services.

Together, the Capacity Building Coordinator and the provider work through challenges, barriers, risks, opportunities and learnings to maximise health and well being outcomes and experiences for our people.

Through this collaborative arrangement, the strengths and expertise of commissioned service providers can also be **harnessed to inform future innovation.**

These are critical elements of the commissioning cycle, supporting both continuous quality improvement, and contributing data and learnings that inform future commissioning activity.



Potential providers are encouraged to familiarise themselves with the standard terms and conditions (typically attached to invitation to apply documentation) prior to submitting applications.



SUSTAINABILITY

Commissioning for sustainability is about ensuring better health care outcomes for individuals and communities now and into the future.

Commissioning for sustainability is the process by which commissioned service providers enhance both the sustainability of their organisations and the way they provide services and interact with the broader community on an ongoing basis.

Sustainability aims to:

- Provide long term improved health outcomes for people using primary health care services
- Support services to work together across the primary health care system
- Commission service models that can be replicated or scaled to size within or across organisations
- Build workforce and organisational capacity
- Demonstrate the commissioned service provision or its outcomes continue beyond the completion of the contract
- Applicants will be asked to address sustainability in responding to approaches to market

TOP TIPS

- Make sure relevant people in your organisation are registered with **Tenderlink** (and that registration details are current) to receive commissioning opportunity alerts
- Download and carefully **review commissioning guidelines** and online application form before deciding to apply
- Review relevant APHN **Needs Assessments and Activity Workplans** to determine how your proposed services align with APHN objectives and outcomes
- Refer to page 13 – do you have the **necessary minimum requirements** to deliver the specified services?
- If you don't have all the necessary requirements **can you partner with another organisation** with complementary expertise?
- **Bring together a team** to work on the application – responding to applications often benefits from the expertise of others
- Ensure others contributing to the application are aware of **timeframes** for providing input
- Consider your methodology, **how are you going to deliver the services** – is this clearly articulated in your application?
- Does your methodology match your organisational **capacity and capability?**
- Make sure you **evidence** your relevant experience, skills, capability and capacity to deliver the services – use real examples not general statements.
- Clearly specify the partnerships, networks and linkages that will meet **integration objectives**
- Use **clear language**, avoid acronyms, programs or jargon specific to your organisation
- Make no assumptions about our prior knowledge of your organisation
- Be succinct and comply with the **word count specified** – additional text may not be considered
- **Review** your application before submitting – have all fields been completed?
- **Leave yourself ample time** to respond and submit the application – late applications will not be accepted



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